

TENNESSEE CITIZENS FOR WILDERNESS PLANNING

Newsletter No. 146, November 26, 1985

ACTION CALL

COLUMBIA DAM: YOUR COMMENTS NEEDED BY DECEMBER 19

TVA has issued a draft report on its recent re-study of remaining costs and benefits of completing Columbia Dam on the Duck River. Once again, this project (which would annihilate a beautiful pastoral river) has been demonstrated to be economically quite unjustifiable. Experience has shown, however, that lack of justification does not stop projects from being funded if lawmakers are impressed by political support. The Upper Duck River Development Assoc. will try to demonstrate such support for Columbia Dam; we must, on the contrary, show that people of the region and the country (for this project costs federal dollars) do not want a river destroyed for economic "benefits" that are greatly outweighed by costs.

Fortunately, our communications, at this point, can be very simple, since the (potentially) dam-building agency itself cannot find any merit in the project -- even when only remaining costs go into the benefit/cost analysis, and even when various benefits (e.g., those attributable to the Saturn plant's water needs) are maximized. We need mainly to urge that the findings of the report should once and for all put an end to this wasteful and harmful project.

WHAT YOU CAN DO

Since the deadline is short, and since voices will be counted, we have enclosed a postcard that you may wish to sign and mail (don't forget to add your address below the signature, and to affix a stamp). Of course, an individually composed card or short letter would be even better (but don't miss the deadline!). It should be addressed to John Furgurson, Columbia Project Manager, TVA, 143 Evans Bldg., Knoxville, TN 37902, with the request that it be included as a comment on the TVA Report to OMB on Columbia Dam Benefit-Cost Analysis. If possible, send copies of your card (including the printed one) or letter to both of your Senators (U.S. Senate Office Bldg., Wash. DC 20510), Rep. Bart Gordon, and your own Representative (House Office Bldg., Wash. DC 20515).

Some findings of The Draft Report

1. Total cost of Columbia Dam/Reservoir: \$239 million. Remaining cost: \$159 million.
2. Ratio of remaining benefit/remaining cost,

	at $8\frac{5}{8}\%$ (a)	at $4\frac{7}{8}\%$
6-year construction	0.4/1.0	0.7/1.0
4-year construction	0.5/1.0	0.8/1.0

(a) The $8\frac{5}{8}\%$ discount rate is specified (as of 10/1/85) for use on Federal water projects. The unrealistically low $4\frac{7}{8}\%$ rate was used in TVA's 1969 analysis.

3. The estimated impacts of the proposed General Motors Saturn Plant and related industries were included in the TVA analysis. In the calculation of benefits the water-supply needs of these developments were, in fact, maximized (calculations assuming a supply need of 6.5 million gallons/day when "the actual water requirements could be as low as 1 to 2MGD.")
4. The mussel-conservation program has so far not even achieved "likely success," leave alone the "proven success" that must be demonstrated before impoundment is allowed.
5. TVA presently has only \$0.8 million available for Columbia. No funds were appropriated for FY 1986.

Please send printed card or your own

letter TODAY! Deadline is Dec. 19

Tennessee Citizens for Wilderness Planning
130 Tabor Road
Oak Ridge, TN 37830

MR & MRS MELVYN L HALBERT (M44)
104 MORGAN RD
OAK RIDGE TN 37830

Non-Profit Organization U. S. Postage PAID Oak Ridge, TN. 37830 PERMIT #178

Comment for inclusion in Final Report to OMB on Columbia

Dam: Benefit-Cost Analysis

After careful and expert re-evaluation of the benefits and costs of completing Columbia Dam, TVA has once again reached the inevitable conclusion that this project is economically unjustifiable. The Saturn plant and related industries were figured into the analysis, and maximized water-supply needs for these industries were used in calculating project benefits. Even so (and despite the use of only remaining costs for the project), the \$239,000,000 dam was found to return only 40¢ for every \$1 spent.

The report provides excellent justification for finally terminating all consideration of completing this dam, which would annihilate a beautiful river.

Name:

Address:

14¢
stamp

Mr. John Furgurson
Columbia Project Manager
TENNESSEE VALLEY AUTHORITY
143 Evans Building
Knoxville, TN 37902